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IN REPLY REFER TO:

DESC-PE

JUN 2 2 2005

TO: DESC Bunker Contractor(s):

The purpose of this letter is to inform all Defense Energy Support Center (DESC) Bunker Contractors of an upcoming pilot test Program of the Ships Bunkers Easy Acquisition Card (SEA). This letter also explains actions that may be required of you as a DESC contractor.

The SEA Card program will provide significant benefits to DESC, vessels, and you as a DESC contractor. The SEA Card is not a standard "credit card" rather, the SEA Card Program provides an efficient Internet-based ordering mechanism for the vessel and an order response system for the merchant. The system goes by the acronym SCOMS (SEA Card Order Management System). This system will allow an electronic capture of actual fuel type and quantities delivered, facilitating a more efficient and timely payment method. It will also allow the SEA Card program contractor, Multi Service Corporation to directly reimburse merchants for non-contract ancillary charges (i.e. demurrage and backhaul).

You will be receiving direct communications from Multi Service Corporation or their sub-contractor BP Marine in the near future regarding registration and training.

It is important to note that your existing contract terms and conditions, such as price, volume, location, and payment will not change under the program, only the methods for communication and data transfer will be modified.

The pilot Program will commence in September 2005, with the first vessel refueling under the SEA Card Program pilot in mid-October. To participate, you must have Internet access (high-speed access is recommended) and register as a merchant on the SEA Card website. As mentioned above, Multi Service will be in direct contact with you to provide specific details on registration and website details. The SEA Card Program pilot test will begin with eleven (11) government vessels, which will be identified at a later date. Non-pilot vessels will operate under your existing contract terms and conditions regarding ordering and payment. Successful completion of the program will lead to a Department of Defense (DoD) and Coast Guard wide roll-out to all vessels and merchants in early 2006. We welcome your comments and feedback during the pilot phase of the SEA Card Program to assist DESC in launching a successful program.

After the SEA Card goes fleet wide, all DESC contractors will be required to utilize the SEA Card to receive orders and provide fulfillment information for delivery to DoD agencies and the Coast Guard. Therefore, we recommend you enroll in the Program initially <u>as both a contractor and an open market contractor</u>. This will eliminate the need for you to modify your original enrollment information as the Program moves forward.

If you have any questions about the upcoming SEA Card Program, please call you contracting officer Mr. Anthony Raneses at (703) 767-8461.

GEORGE W. ATWOOD III

Division Chief

Ground Fuels Division I Direct Delivery Fuels